

which includes the criminal and procedural laws. The State Governments have been advised to enact legislation on the lines of the Maharashtra Control of Organized Crime Act. The Government of Andhra Pradesh has enacted the Andhra Pradesh Control of Organized Crime Bill, 2001. The State Government of Karnataka has enacted the Control of Organised Crime Bill, 2000 which is awaiting the assent of the President of India.

The National Crime Records Bureau has been advised to set up a national data base on organized crime. The State Governments have also been advised to create databases on organised crime in their respective States. Arrangements for sharing and exchange of information between the Centre and the States are being put up in place. The State Governments have also been advised to set up special units for monitoring, investigating and pursuing organised criminal gangs.

Private Investment in Mines and Minerals Sector

*149. SHRI GAYA SINGH:

SHRI V.V. RAGHAVAN:

Will the Minister of COAL AND MINES be pleased to state:

- (a) whether it is a fact that Government have decided to encourage private investment in the mines and minerals sector;
- (b) if so, the details of the proposal in this regard;
- (c) whether Government have received any proposal from private parties for investment in mines and minerals sector; and
- (d) if so, the details thereof?

THE MINISTER OF COAL AND MINES (SHRI RAM VILAS PASWAN): (a) to (d) Yes Sir. The National Mineral Policy of 1993 recognised the need for encouraging private investment including foreign direct investment and State-of-the-Art technology in mineral sector. The Mines and Minerals (Development and Regulation) Act, 1957 was amended in 1994 and 1999 which resulted in simplification of procedure for grant of mineral concessions, and delegation of power to the State Governments.

Accordingly, 13 minerals hitherto reserved for public sector were thrown open for private investment. These included iron ore, manganese ore, chrome ore, sulphur, gold, copper, lead, zinc, molybdenum, tungsten, diamond, nickel and platinum group of metals. Further, restriction on foreign equity holding in mining sector companies registered in India was removed in 1994. The tenure of mining leases was stabilized at a minimum of 20 years and at a maximum of 30 years. The requirement to obtain prior approval from the Central Government before granting of mineral concession was done away with in respect of 15 minerals in 1994, and in addition, since 1999, such requirement is not necessary even for limestone. Also since 1999, the concept of reconnaissance operations as stage of operation distinct from and prior to prospecting operations has been introduced. The State Governments are fully empowered to renew, transfer and amalgamate mining leases for all non fuel and non atomic minerals.

Further, in line with the policy of the Government to encourage private investment in the mining sector, including foreign investment, all proposals for foreign direct investment in the mining sector are eligible for automatic approval, except for precious stones and diamonds, for which automatic approval for foreign direct investment is permissible up to 74% and except also for fuel and atomic minerals, for which a separate foreign direct investment Policy applies.

In response to the liberalization measures, the entrepreneurs have taken 65 large area prospecting licenses, covering an area of over 90 thousand square kilometers. Also, after the amendment in the Mines and Minerals (Development and Regulation) Act, 1957 in 1999, 62 Reconnaissance Permits covering an area of over 82 thousand square kilometers have been approved by the Central Government. Further, the Government has so far approved 70 proposals of foreign direct investment in the mining sector involving likely investment of Rs. 3963 crores.